

INITIATIVE PETITION

The object of this petition is to: (See reverse side for actual text of measure)

For Sec of State Use Only

Enact a statute which allows all games of chance and gaming devices at permitted racetrack locations within cities of the first, primary, or metropolitan classes in Nebraska and establishes a Nebraska Gaming Commission to regulate such gaming.

To the Honorable John Gale, Secretary of State for the State of Nebraska:
We, the undersigned residents of the State of Nebraska and the county of _____, respectfully demand that the following proposed law shall be referred to the registered voters of the state for their approval or rejection at the general election to be held on the 8th day of November 2016, and each for himself or herself says: I have personally signed this petition on the date opposite my name; I am a registered voter of the State of Nebraska and county of _____ and am qualified to sign this petition or I will be so registered and qualified on or before the date on which this petition is required to be filed with the Secretary of State; and My printed name, date of birth, street and number or voting precinct, and city, village, or post office address are correctly written after my signature.

WARNING TO PETITION SIGNERS-- VIOLATION OF ANY OF THE FOLLOWING PROVISIONS OF LAW MAY RESULT IN THE FILING OF CRIMINAL CHARGES: Any person who signs any name other than his or her own to any petition or who is not qualified to sign the petition shall be guilty of a Class I misdemeanor. Any person who falsely swears to a circulator’s affidavit on a petition, who accepts money or other things of value for signing a petition, or who offers money or other things of value in exchange for a signature upon any petition shall be guilty of a Class IV felony.

	Date	SIGNATURE	PRINTED NAME	Date of Birth	ADDRESS (Street name & number)	CITY OR VILLAGE	Zip Code
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

STATE OF NEBRASKA)
) ss. _____, (name of circulator) being first duly sworn, deposes and says that he or she
COUNTY OF _____) name appears on the petition personally signed the petition in the presence of the affiant, that the date to the left of each signature is the correct date on which the signature was affixed to the petition and that the date was personally affixed by the person signing such petition, that the affiant believes that each signer has written his or her name, street and number or voting precinct, and city, village, or post office address correctly, that the affiant believes that each signer was qualified to sign the petition, and that the affiant stated to each signer the object of the petition as printed on the petition before he or she affixed his or her signature to the petition.

Circulator

Address

City,State,Zip

Subscribed and sworn to before me, a notary public, this _____ day of _____, 20__ at _____, Nebraska.

(Seal) _____
Notary Public

Proposed Statutory Language

FOR AN ACT relating to gaming; to authorize games of chance as prescribed; to create a commission; to provide for the regulation of games of chance; and to define terms.

Be it enacted by the people of the State of Nebraska,

Sec. 1. Notwithstanding any other provision of law, and to the full extent permitted by the Constitution of Nebraska, including amendments to the Constitution of Nebraska adopted contemporaneously with the enactment of this initiative measure, the operation of games of chance is permitted only by authorized operators at permitted racetrack locations as provided in this act. This act shall be in full force and effect on and after January 1, 2017.

Sec. 2. For purposes of this act:

- (1) Authorized operator means a person or entity authorized pursuant to this act to operate games of chance at permitted racetrack locations;
- (2) Game of chance means any game which has the elements of chance, prize, and consideration, including any wager to a slot machine, table game, counter game, or card game. Game of chance does not include any game, the operation of which is prohibited at a casino by federal law;
- (3) Gaming device means an electronic, mechanical, or other device which plays a game of chance when activated by a player using currency, a token, or other value;
- (4) Limited gaming device means an electronic gaming device which (a) offers games of chance, (b) does not dispense currency, tokens, or other value, and (c) does not have a cash winnings hopper, mechanical or simulated spinning reel, or side handle;
- (5) Permitted racetrack location means a racetrack, or an associated facility within two thousand five hundred yards of a racetrack, located at least partially within a city of the first, primary, or metropolitan class; and
- (6) Racetrack means a premises at which licensed live horseracing is conducted and simulcast in accordance with applicable requirements of Nebraska and federal law.

Sec. 3. (1) The operation of games of chance at a permitted racetrack location may be conducted in a city of the first, primary, or metropolitan class if the permitted racetrack location is located at least partially inside the corporate limits of such city.

(2) Gaming devices, limited gaming devices, and all other games of chance may be operated at a permitted racetrack location.

(3) No person under twenty-one years of age shall play or participate in any way in any game of chance or use any gaming device or limited gaming device at a permitted racetrack location.

(4) No authorized operator shall permit an individual under twenty-one years of age to play or participate in any game of chance or use any gaming device or limited gaming device conducted or operated pursuant to this act.

Sec. 4. Authorized operators and the operation of games of chance shall be subject to licensing and regulation as may be adopted by the Nebraska Gaming Commission. The Commission may:

(1) Approve, or deny for cause, an application for authority to operate games of chance;

(2) Designate authorized operators and the permitted racetrack locations thereof;

(3) Impose a one-time license fee of one million dollars on each authorized operator for each permitted racetrack location, payable to the Nebraska Gaming Commission; and

(4) Adopt and promulgate rules and regulations to carry out this act.

Sec. 5. (1) (a) For purposes of providing the necessary licensing and regulation of the operation of games of chance authorized pursuant to this act, the Nebraska Gaming Commission is created.

(b) The Commission shall consist of seven members. Not more than four of the seven members shall be affiliated with the same political party. No member shall have any personal financial interest in any permitted racetrack location or authorized operator for the duration of his or her term. The members of the Commission shall elect one of the members to be chairperson.

(c) The five members of the State Racing Commission shall be *ex officio* members of the Nebraska Gaming Commission, serving terms and receiving appointment as outlined in section 2-1201 *et seq.*

(d) Two additional members shall be appointed by the Governor for concurrent five-year terms within sixty days of vacancy, subject to confirmation by a majority of all members of the Legislature, as follows: One member of the Nebraska Gaming Commission shall have previous or current experience in the Nebraska gaming industry. One member of the Commission shall be a member of the organization representing the majority of licensed owners and trainers at racetracks in Nebraska.

(2) The Commission shall:

(a) License and regulate the operation of all games of chance authorized pursuant to this act, including adopting, promulgating, and enforcing rules and regulations governing the operation of games of chance consistent with this act;

(b) Regulate the operation of games of chance in order to prevent and eliminate corrupt practices and fraudulent behavior, and thereby promote integrity, security, and honest administration in, and accurate accounting of, the operation of all games of chance;

(c) Establish criteria to license an authorized operator;

(d) Charge fees for applications for licenses and for the issuance of licenses to successful applicants;

(e) Grant, deny, revoke, and suspend licenses for the operation of games of chance based upon reasonable criteria and procedures established by the Commission to facilitate the integrity, productivity, and lawful conduct of the authorized games of chance;

(f) Conduct background investigations of applicants for licenses;

(g) Adopt and promulgate rules and regulations for the standards of manufacture of gaming equipment;

(h) Inspect the operation of any licensed authorized operator conducting games of chance for the purpose of certifying the revenue thereof and receiving complaints from the public;

(i) Issue subpoenas for the attendance of witnesses or the production of any records, books, memoranda, documents, or other papers or things at or prior to any hearing as is necessary to enable the Commission to effectively discharge its duties;

(j) Administer oaths or affirmations as necessary in connection with carrying out this act;

(k) Investigate and report to the Attorney General, or the relevant county attorney, allegations of illegal gambling activity;

(l) Ask the Attorney General, or the relevant county attorney, to seek an injunction to restrain a violation of this act or to enforce any provision of this act;

(m) Impose, subject to judicial review, administrative fines not to exceed twenty-five thousand dollars for each violation of this act or any rules and regulations adopted and promulgated pursuant to this act plus the financial benefit derived by the violator as a result of such violation;

(n) Remit administrative fines collected under this section to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska;

(o) Promote treatment of gaming-related behavioral disorders;

(p) Establish procedures for the governance of the Commission;

(q) Acquire necessary offices, facilities, counsel, and staff;

(r) Establish procedures for an applicant for a staff position to disclose conflicts of interest as part of the application for employment; and

(s) Do all things necessary and proper for carrying out its powers and duties under this act.

(3) The compensation of the members of the Nebraska Gaming Commission shall be one thousand dollars per month, which may be adjusted every two years in an amount not to exceed the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the period between June 30 of the first year to June 30 of the year of adjustment.

COPY

SWORN STATEMENT

The undersigned, being first duly sworn, states under oath that the following are the names and street addresses of every person, corporation or association sponsoring the following initiative:

1. Statutory initiative to allow all games of chance and gaming devices at permitted racetrack locations and to establish a Nebraska Gaming & Racing Commission to regulate such gaming.

The full text and statement of the object of the initiative is attached and is also on file with the Nebraska Secretary of State.


List of Sponsors:

Keep The Money In Nebraska
301 S. 12th Street, Suite 140
Lincoln, NE 68508

Nebraska Horsemen's Benevolent &
Protective Association
Barry Lake, President
P.O. Box 1440
Columbus, NE 68602

Ho-Chunk, Inc.
Lance Morgan, Chief Executive Officer
1 Mission Road
Winnebago, NE 68071

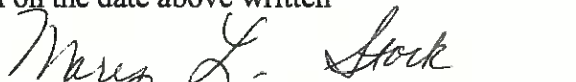
Omaha Exposition & Racing, Inc.
Robert Moser, Jr., President
6303 Q Street
Omaha, NE 68117

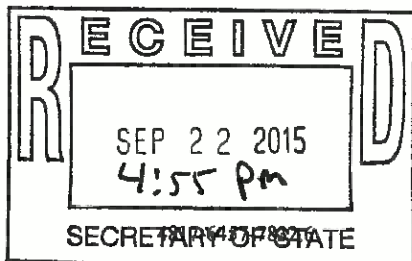

Lance Morgan
Keep The Money In Nebraska

Lance
STATE OF ~~NEBRASKA~~)
COUNTY OF *Woodbury*) ss

On this 22 day of September, 2015, before me, the undersigned, a Notary Public, personally came Lance Morgan, to me known to be the identical person whose name is affixed to the foregoing instrument and acknowledged the same to be his voluntary act and deed.

WITNESS my hand and notarial seal on the date above written


Notary Public



 **COPY**

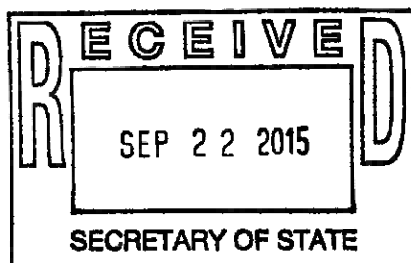
STATUTORY INITIATIVE _____

OBJECT STATEMENT

The object of this petition is to enact a statute which allows all games of chance and gaming devices at permitted racetrack locations within cities of the first, primary, or metropolitan classes and within unincorporated areas of counties in Nebraska and establishes a Nebraska Gaming & Racing Commission to regulate such gaming.

BALLOT QUESTION

Shall a statute be enacted which: (1) allows all games of chance and gaming devices at permitted racetrack locations within cities of the first, primary, or metropolitan classes and within unincorporated areas of counties in Nebraska, and (2) establishes a Nebraska Gaming & Racing Commission to regulate such gaming?



TEXT OF STATUTORY INITIATIVE

A BILL

FOR AN ACT relating to gaming; to authorize games of chance as prescribed; to provide for regulation of games of chance by a gaming commission; and to define terms.

Be it enacted by the people of the State of Nebraska,

Section 1. Notwithstanding any other provision of law, and to the full extent permitted by the Constitution of Nebraska, including amendments to the Constitution of Nebraska adopted along with the enactment of this initiative measure, the operation of games of chance is permitted under this act only at permitted racetrack locations, only subject to authorizing parameters, and only by authorized operators.

Section 2. For the purposes of this act:

(1) Authorized operator means a person or entity authorized pursuant to this act to operate games of chance at permitted racetrack locations;

(2) Games of chance means any games which have the elements of chance, prize, and wager, including any wager to a slot machine, table game, counter game, or card game. Games of chance shall not include any game the operation of which at a casino is prohibited by the laws of the United States;

(3) Gaming device means an electronic, mechanical, or other device, which plays a game of chance when activated by a player using currency, tokens, or other value;

(4) Limited gaming device means an electronic gaming device which (a) offers games of chance, (b) does not dispense currency or tokens, and (c) does not have a cash winnings hopper, mechanical or simulated spinning reels, or side handle;

(5) Permitted racetrack location means a racetrack, or associated facility within two thousand five hundred yards of a racetrack, located at least partially within a city of the first, primary, or metropolitan class, or entirely within an unincorporated area of a county; and

(6) Racetrack means a premises at which licensed live horseracing is conducted and simulcast in accordance with 15 U.S.C. § 3004, as such act existed on September 1, 2015.

Section 3. For purposes of this act, authorizing parameters are as follows:

(1) The operation of games of chance at permitted racetrack locations may be authorized only when in a city of the first, primary, or metropolitan class, when the permitted racetrack location is located therein, or by a county when the permitted racetrack location is located in an unincorporated area;

(2) Gaming devices, limited gaming devices and all other games of chance may be operated at permitted racetrack locations.

Section 4. Authorized operators and the operation of games of chance shall be subject to licensing and regulation as may be adopted by the Nebraska Gaming & Racing Commission. The Nebraska Gaming & Racing Commission shall have authority:

- (1) To approve or deny for cause applications for authority to operate games of chance;
- (2) To designate the authorized operator and the permitted racetrack location thereof; and
- (3) To adopt and promulgate rules and regulations to carry out this Act.

Section 5. (1) For purposes of providing the necessary licensing and regulation of the operation of games of chance authorized pursuant to this act, the Nebraska Gaming & Racing Commission is created. The Nebraska Gaming & Racing Commission shall supersede the existing State Racing Commission. The commission shall consist of seven members. The commission members shall be appointed by the Governor, subject to confirmation by a majority of all the members of the Legislature. Members of the State Racing Commission as of the time of the adoption of this statute shall automatically become members of the Nebraska Gaming & Racing Commission for the remainder of the terms for which they were originally appointed. One member must have previous or current experience in the Nebraska gaming industry. One member must be a member of the organization representing the majority of licensed owners and trainers at racetracks in Nebraska. The members of the commission shall have terms of five years. Not more than four of the seven members shall be members of the same political party. Members may not have personal financial interests in any permitted racetrack locations or authorized operators for the duration of their term. The Governor shall appoint initial members of the commission within sixty days of the enactment of this initiative measure. The members of the Nebraska Gaming & Racing Commission shall elect one of its members to be chairperson thereof.

(2) The commission shall have the power and duty to:

- a. License and regulate the operation of all games of chance authorized pursuant to this act, including the power and duty to establish and enforce rules and regulations governing the operation of games of chance consistent with this act;
- b. To provide regulation of the operation of games of chance in order to prevent and eliminate corrupt practices and fraudulent behavior, and thereby promote integrity, security, and honest administration in, and accurate accounting of, the operation of all games of chance;
- c. To set licensing criteria to designate an authorized operator and the permitted racetrack location thereof in a manner consistent with the public interest;
- d. To charge licensing fees for applications for licenses and for the issuance of licenses to successful applicants;
- e. To grant, deny, revoke, and suspend licenses for the operation of games of

chance based upon reasonable criteria and procedures established by the commission to facilitate the integrity, productivity, and lawful conduct of the games authorized;

- f. To conduct background investigations into applicants for licenses;
- g. To establish a minimum age for participation consistent with prevailing criteria for adulthood and maturity regarding matters of gaming;
- h. To adopt rules and regulations for the standards of manufacture of gaming equipment;
- i. To inspect the operation of any licensed gaming facility for the purpose of certifying the revenue thereof and receiving complaints from the public;
- j. To call upon other administrative departments of the state, county and municipal governments, county sheriffs, city police departments, village marshals, peace officers, and prosecuting officers for such information and assistance as the commission deems necessary for the performance of its duties;
- k. To issue subpoenas for the attendance of witnesses or the production of any records, books, memoranda, documents, or other papers, or things, at or prior to any hearing as is necessary to enable the commission to effectively discharge its duties;
- l. To administer oaths or affirmations as necessary in connection therewith;
- m. To investigate and report to the Attorney General, or the relevant county attorney, allegations of illegal gambling activity;
- n. To ask the Attorney General, or the relevant county attorney, to seek an injunction to restrain a violation of this act or enforce any provision hereof;
- o. To impose, subject to judicial review, administrative fines not to exceed the sum of twenty-five thousand dollars for each violation of this act or any rules and regulations adopted and promulgated pursuant to this act plus the financial benefit derived by the violator as a result of such violation;
- p. To remit administrative fines collected under this section to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska;
- q. To promote treatment of gaming-related behavioral disorders;
- r. To establish procedures for the governance of the commission;
- s. To acquire necessary offices, facilities, counsel, and staff;
- t. To establish procedures for applicants for staff positions to disclose conflicts of interest as part of the application for employment; and

u. To do all things necessary and proper for carrying into execution such powers and duties.

(3) The compensation of the members of the Nebraska Gaming & Racing Commission shall be one thousand dollars per month, which may be adjusted bi-annually in an amount not to exceed the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the period between June 30 of the first year to June 30 of the year of adjustment.

 **COPY**